

FISCAL NOTE

HB 3263 - SB 3264

February 26, 2004

SUMMARY OF BILL: Clarifies the definition of *institution* for purposes of the Tennessee State School Bond Authority Act, to include the University of Tennessee and all of its branches and divisions wherever located, and each constituent institution of the state university and community college system. Each constituent institution of the state university and community college system, whether or not it confers degrees, shall be deemed an institution of higher education for purposes of this act. The bill, in effect, adds Technology Centers to institutions eligible to participate in the TSSBA program.

ESTIMATED FISCAL IMPACT:

Other Fiscal Impact - Assumes state expenditures could decrease and Tennessee Board of Regents expenditures could increase by a corresponding amount. Under the bill Tennessee Technology Centers may be able to fund projects through the TSSBA rather than by direct state appropriations or general obligation debt.

Assumes the bill would allow technology centers to participate in the TSSBA program, which would provide another financing option for the TTCs. However, the TTCs must prove their credit worthiness in order to borrow money and must meet the same borrowing standards as the other UT and TBR institutions which are already allowed to participate in the TSSBA program.

CERTIFICATION:

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink, appearing to read "James W. White".

James W. White, Executive Director

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